

WASHINGTON – U.S. Rep. Harry Mitchell today released the following statement regarding the Wall Street Reform and Consumer Protection Act of 2009, H.R. 4173. Mitchell voted against the bill which passed 223-202.

“The near financial collapse that our nation witnessed in late 2008 was one of the worst in our history. Economists warned that without swift, immediate intervention, our economy would sink into another Great Depression. Toward that end, in October of 2008, President Bush requested, and a bipartisan majority of Congress approved, a temporary, emergency measure establishing the Troubled Asset Relief Program (TARP).

“TARP was intended to be a short-term patch and has served its purpose. Just recently, I asked President Obama to ensure that all remaining and repaid TARP funds, as well as all TARP-related revenue, be used to pay down the deficit.

“In addition to short-term questions, the financial crisis raised major, complex, long-term, questions about the role of federal oversight. I believe we cannot allow risky speculation to take our entire financial system to the brink of collapse again. At the same time we must be careful in crafting a solution that does not impose undue burdens on those who act responsibly or discourage the very kind of investment and business activity that we need to grow our economy and create jobs.

“The bill before us today seeks to take a number of steps to change the way in which federal oversight is conducted. While I support many of the reforms contained in this package, I believe it goes too far.

“I am particularly concerned that this bill would require federal regulators to prohibit compensation practices that it deems inappropriate or imprudently risky. While I share the frustration of many Americans who saw their retirements shrink and countless investors who lost billions of dollars and then were forced to watch in disgust as executives walked away with lavish bonuses, I believe that in a democratic, capitalist system, decisions about whether an individual at a private company is making too much money is an issue that is best left to private companies, their shareholders and investors to address – not the federal government.

“I am also concerned about the degree to which this bill expands the federal regulatory bureaucracy. I believe we can instruct and empower our existing network of regulatory agencies to do a better job of protecting consumers. Towards that end, I voted for a bipartisan amendment to H.R. 4173 that would have enhanced and improved our existing agencies’ ability to protect consumers, instead of creating a new, costly federal agency. Unfortunately, the amendment was defeated 223-208.

“While I was unable to support the entire package presented today, I remain committed to working toward responsible reform as this bill continues through the legislative process.”